21 April 1967

DCI BRIEFING FOR MAHAN SUBCOMMITTEE

CHINESE DOMESTIC DEVELOPMENTS

- I. The Chinese Cultural Revolution is regaining its frenzy after a brief lull. On the surface, there is a renewed and perhaps final drive to destroy the titular Chief of State, Liu Shao-chi; behind this facade, the extremist elements around Mao Tse-tung and Lin Piao appear to be locked in struggle with more moderate forces led by Premier Chou En-lai.
 - A. Mao, Lin and Chou maintain the appearance of unity in public; Chou remains the chief spokesman for the regime. Lin has again appeared in public after an absence of almost five months. We believe that their alliance is at best very shaky and uneasy.
- II. After the Cultural Revolution had brought the country to the brink of chaos in January, order and discipline were restored in most areas, largely as a result of efforts by Chou En-lai.
 - A. Chou's most important role in that period was to reassure the army, and to make it a more

responsive instrument of control. He did this

in the army, and by issuing a series of policies

by dampening a purge which had been launched

moderating the Cultural Revolution.

III. His actions were grudgingly supported by Mao and
Lin at the time. But they were hotly debated, and

in some cases reversed

A. A major effort seems to be under way to remove military commanders, both in Peking and the

provinces

25X1

25X1

25X1

- IV. Vicious Red Guard poster attacks are now being aimed at Chou's protegés in the government, and at top military men who are being held responsible for letting the Cultural Revolution subside in February. A common thread running through the charges against these men is that they resisted extremist policies desired by Mao and Lin.
 - A. The military men under attack--Yeh Chien-ying (YEH JYAN-YING) and Hsu Hsiang-chien (SHOO SHYANG-CHUAN)--had worked very closely with Mao and Lin until recently. Both are politburo members and vice chairmen of the powerful Military Affairs Committee. Hsu (SHOO) was named head of a special army purge group formed on 11 January.
 - 1. They now are accused of issuing orders in February to local army commanders to arrest pro-Mao leftists. They are also said to have opposed Lin Piao at a recent meeting of the Military Affairs Committee, and to have stated that Lin was not fit to be Mao's successor.
 - 2. A poster put up the other day in Peking states that Hsu (SHOO) was dismissed as

head of the army purge group on April
16th. The poster implied that he had
used his position to slow down the purge.
It also charged him with blocking attempts
by Mao's wife--who is an adviser to the
purge group--to find out what the group
was doing.

- B. In the past week a main target of Red Guard posters and demonstrations has been Chou's protegé, Foreign Minister Chen Yi.
 - 1. The foreign minister has been criticized before, but never this harshly. He is now accused of being a "counterrevolutionary revisionist" who has opposed Lin Piao and followed the line of the disgraced chief of state, Liu Shao-chi.
 - Chen Yi continues to perform ceremonial duties, but he is clearly in serious trouble.
- C. So far, Chou has not come to the defense of his protegés during the new wave of attacks. With his usual flexibility, he is adjusting to the latest political winds, with his own status uppermost in his mind.

- 1. Chou is still running the day-to-day work of the regime. This could be by default, however, and not necessarily a reflection of his political power; he is the only one of the ruling triumvirate who is physically strong enough to put in a full day's work.
- He does not have many people left to help him. Last August, 25 men were installed in the politburo; today, only seven of them are still active and in apparent good standing--Mao, Lin, Chou, one propagandist, two security chiefs, and one economic planner.

21 April 1967

DCI BRIEFING FOR MAHON SUBCOMMITTEE

VIETNAM

I. In Vietnam, the enemy build-up along the Demilitarized Zone, which we have been watching for several months, was dramatized April 6th and 7th by the major Communist raids in and around Quang Tri city, capital of South Vietnam's northernmost province.

Approved For Release 2004/09/15: CIA-RDP79T00827A000800080005-7

E. Since the beginning of 1967, the Communists have extended a feeder road--Route 922--from the Laos panhandle into the A Shau Valley of western Thua Thien Province, giving them their first motorable through road from the North, all the way down the Laotian panhandle, and into the South.

25X1

a considerable build-up and extensive stockpiling in the A Shau Valley, and in base areas near Route 922 in Laos.

II.

25X1

indicated that the Communists plan a major "summer" campaign in the Quang Tri - Thua Thien areas; one

offic	cer	has	repor	rted p	lans	for	regimental	and	even	_
divis	sior	n-siz	zed a	ctions	s					
talk	of	plar	ns to	seize	the	two	provinces.			_

- A. A threat to such towns as Quang Tri and Hue cannot be ruled out, but the Communists are more likely to undertake actions designed to protect their infiltration routes through Laos and the western DMZ area, and to keep allied forces spread out. They want to maintain favorable conditions for attacking isolated U.S. units, and for preventing the government's Revolutionary Development activities.
 - 1. The Communists have stepped up their efforts to harass and kill the pacification teams. The effort is nationwide, but more than half of the 200-plus attacks since the first of January have taken place in the northern First Corps area.
- III. The Communist threat in First Corps amounts to about 56,000 enemy regulars, including the NVA units in and just above the DMZ. It is to meet this threat that MACV recently moved about two U.S. Army brigades, with their supporting artillery, from the Second and Third Corps areas into the

southern part of First Corps. They will relieve
Marine garrisons there for commitment to the
northernmost provinces.

A. There are no indications of impending major enemy offensive elsewhere in South Vietnam, but the Communist forces still have a potential to make trouble, particularly in the highlands.

Political Developments

- IV. Now that the new South Vietnamese constitution has been promulgated, political attention is on the coming elections.
 - A. The military leadership has set the date of September first for the election of a president and the upper house of the legislature, and October first for the lower house.
 - B. Four civilians have already declared themselves in the presidential race, but the big
 question--that of a military candidate--remains unresolved.

Approved For Release 2004/09/15 : CIA-RDP79T00827A000800080005-7

- C. If the military do unite behind one candidate, his chances of winning the election honestly appear fairly strong.
 - The army is the only real national organization in the country, and the government's resources at the local levels far outweigh those of any civilian group.
 - 2. Only two of the civilian candidates—
 assembly chairman Phan Khac Suu and former
 premier Tran Van Huong—seem to have any
 real chance, but both are appealing largely
 to the delta areas and could harm one another.

D.	It remains possible that if the field of can-
	didates narrows and the race appears close,
	the military might attempt to rig the election

Approved For Release 2004/09/15 : CIA-RDP79T00827A000800080005-7

- V. Meanwhile, the local elections for village and hamlet offices, which began early this month and will run into early June, have been proceeding fairly well.
 - A. Despite considerable voter apathy and some reluctance by candidates to risk Viet Cong retaliation, voter turn-out in areas where elections were held averaged about 81 percent of those registered on the first three Sundays, and Communist disruptions so far have been limited.

North Vietnam

- VI. North Vietnamese officials have not withdrawn their offer to consider talks with the US in exchange for a permanent cessation of the air strikes, but they have indicated clearly that this concession is as far as they are prepared to go at the present time.
 - A. The Hanoi leaders have resumed their emphasis on the importance of the "Four Points" as the only basis for a <u>settlement</u> of the war. On at least two occasions they have gone out of their way to underscore this attitude.
 - 1. On March 21st, Hanoi released the February exchange of secret letters between President Johnson and Ho Chi Minh on possibilities for ending the war, in which the North Vietnamese President reverted to the tough and unyielding language of earlier DRV statements on conditions for peace.
 - 2. The next week, Hanoi bluntly rejected UN Secretary General U Thant's mid-March proposals on negotiations.

- VII. Peking is the only DRV ally who has not approved of Hanoi's recent offer to talk in exchange for a cessation of the bombings.
 - A. The Chinese have greeted both the original offer by the DRV foreign minister and the Ho-Johnson correspondence with stony silence.

Approved For Release 2004/09/15 : CIA-RDP79T00827

21 April 1967

DCI BRIEFING FOR MAHON SUBCOMMITTEE

ISRAEL - SYRIA

- I. Along the border between Israel and Syria, both sides remain tense in expectation of new clashes.
 - A. Tension has been high ever since the air battle of April 7, when the Israelis, flying Mirage fighters, shot down six Syrian Mig-2ls.

2. The Israelis claim that they lost no

aircraft

25X1

25X1

25X1

-45-

- C. As for the current situation along the border, Syria is in no position for any more air battles, but both sides have moved more troops and armor into border areas. There have been a number of minor skirmishes over the past two weeks.
- D. As you know, the fighting arises from a continuing disagreement over which country has a right to cultivate the demilitarized zones.

 Neither is willing to compromise.

25X1

-46-

21 April 1967

DCI BRIEFING FOR MAHON SUBCOMMITTEE

PANAMA NEGOTIATIONS

- Negotiations with Panama for a new canal treaty have entered a crucial stage. From here on in, the Panamanians are bound to look at them as a major issue in the campaign for their presidential elections in May, 1968.
 - A. President Robles, in a speech on his return from Punta del Este, said he was elated over his meeting with President Johnson, and hopeful that the canal talks could be finished within the time frame set by the Panamanians.
 - B. They want a draft treaty completed in time to be ratified by a special assembly session late this summer. Robles feels that he needs at least six weeks before the special session for an intensive campaign to "sell" the merits of the new agreement to the country.
 - If ratification is held over until the regular session opens on October 1,

pressures of the presidential campaign will make it difficult to hold the fragile government coalition of seven parties together.

- II. Opposition leader Arnulfo Arias and his mass-based

 Panamenista Party have begun to step up attacks

 on Robles' efforts to reach a canal settlement with

 the US.
 - A. Arias persists in his claim that he was robbed of the presidency in the 1964 election, and that the Robles government is illegal.
 - B. Moreover, the Panamenista leader maintains that since the present government does not represent the country's majority, any canal agreement it negotiates will be opposed by the "people" regardless of its contents.

yet decided whether to run in the 1968 election.

He has indicated that he might abstain, claiming fraud by the ruling elite, and then move to overturn the government.

Approved For Release 2004/09/15 : CIA-RDP79T0082

21 April 1967

DCI BRIEFING FOR MAHON SUBCOMMITTEE

BOLIVIA

The insurgent band operating in southeastern	
Bolivia is composed of members of both the pro-	
Soviet and pro-Chinese Communist parties. There	
is some evidence of Cuban direction and support.	
	25
mi ' managara managara tangan 60	
men. No more than 15 engage government forces	
at any one time.	_
	25
	Bolivia is composed of members of both the pro- Soviet and pro-Chinese Communist parties. There is some evidence of Cuban direction and support. The insurgents probably total no more than 60 men. No more than 15 engage government forces

-49-

- B. They are well-armed, well-supplied, and well-trained, and show excellent discipline under fire. This is in sharp contrast to the Bolivian troops now opposing them.
- III. The government has declared the guerrilla area a military zone, and is taking steps to strengthen and train its forces in counterinsurgency.

- B. On the home front, the government has moved to strengthen its position by outlawing both Communist parties and the Trotskyite Revolutionary Workers Party. Several party leaders have already been arrested, and Communist publications confiscated.
- IV. President Barrientos reportedly does not believe his position and prestige have been weakened as a result of the government's inability to cope with the insurgency.
 - A. He is leaving counterinsurgency operations to Armed Forces commander General Ovando, who will be the obvious scapegoat if conditions deteriorate.